

**Office of
The City Attorney
City of San Diego**

**MEMORANDUM
MS 59**

(619) 236-6220

DATE: August 21, 2006

TO: Elizabeth Maland, City Clerk

FROM: Michael J. Aguirre, City Attorney

SUBJECT: Title, Summary, and City Attorney Impartial Analysis for Ballot Measure –
Charter Amendment to Change the Approval Process for Increases in
City Employees' Retirement System Benefits

The City Council has directed the City Attorney to prepare an impartial analysis of a measure the City Council has approved for submission to the voters on the November 7, 2006 ballot. The measure seeks voter approval to amend the City Charter to require voter approval for future increases in retirement system benefits for public employees. The measure was approved as Ordinance O-19473 on March 27, 2006. The measure has been designated as "Proposition B" by the Registrar of Voters.

Official Title and Summary

The City Council approved the official title and summary as follows:

**PROPOSITION B. AMENDS THE CITY CHARTER TO
CHANGE THE APPROVAL PROCESS FOR INCREASES
IN CITY EMPLOYEES' RETIREMENT SYSTEM BENEFITS**

Shall the Charter be amended to require voter approval for any
increases in retirement system benefits for public employees?

City Attorney's Impartial Analysis

The City Council has authorized the placement of a proposition on the ballot seeking voter approval to amend Article IX, section 143.1 of the San Diego City Charter. The amendment would require that voters approve certain increases in retirement system benefits for public employees. In particular, the proposition provides that any ordinance that amends the City's retirement system by increasing the benefits of any employee, legislative officer or elected

official shall not be adopted without approval of a majority of the qualified electors voting on the matter.

The ballot question states that voter approval is required for “any increases.” The text of the measure states that increases in benefits due to cost of living adjustments would not require a vote of the electorate.

This measure also provides that, prior to placement on the ballot of a proposed increase in retirement benefits, the retirement system will prepare an actuarial study of costs due to the benefit changes. A summary of the actuarial study will be published in the ballot pamphlet issued to voters.

This measure further provides that City officials and employee organizations may negotiate tentative agreements that would increase retirement benefits. However, the agreements will not become final or binding unless a majority of San Diego’s qualified voters approve of the increases.

If this measure is approved, it will become operative on January 1, 2007 for all proposed increases in retirement system benefits tentatively agreed upon by the City on or after that date. This measure provides that the requirement of voter approval for retirement benefit increases will remain in effect for 15 years from that date, at which time the requirement will automatically be repealed and removed from the Charter.

This ballot measure will take effect if passed by a majority of the City’s voters.

MICHAEL J. AGUIRRE, City Attorney

CAB:SBS:WG

8-21-06